

UNITED STATES DEPARTMENT OF COMMERCE NEWS

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OFFICE
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SECRETARY

STATEMENT BY SECRETARY OF COMMERCE ELLIOT RICHARDSON IN RESPONSE TO A REPORT BY THE OVERSIGHT AND INVESTIGATIONS SUBCOMMITTEE OF THE HOUSE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE ON THE ARAB BOYCOTT, SEPTEMBER 7, 1976

I have reviewed a summary of the report on the Arab Boycott and American Business that was released today by the Oversight and Investigations Subcommittee of the House Committee on Interstate and Foreign Commerce. The report relates principally to conditions that have existed during the past 11 years, since enactment of boycott provisions in the 1965 amendments to the Export Control Act. Accordingly, its primary focus is on past conditions that no longer exist within the Department, and the report is therefore largely of historical interest. In fact, the Department actively cooperated with the Subcommittee in assembling the data on which the report is based.

Present Departmental policy is to support and implement existing law relating to the Arab Boycott fully and vigorously, and actions the Department has taken during the last year clearly reflect this policy. Specifically, the following steps have been taken:

1. On October 1, 1975, the reporting requirements were amended to require reporting firms to indicate whether or not they had complied, or intended to comply, with the reported boycott-related requests.
2. On December 1, 1975, Department regulations were amended to prohibit compliance with any boycott request which would discriminate against U.S. citizens and firms on the basis of race, color, religion, sex or national origin.
3. On December 1, 1975, Department regulations were amended to extend the reporting requirements to any person or firm other than the exporter handling any phase of the export transaction (such as banks, insurers, shipping companies, and freight forwarders).
4. On December 1, 1975, the Department ceased dissemination of information on trade opportunities containing boycott requests.
5. On April 29, 1976, I directed that all charging letters alleging violations of the Export Administration regulations relating to the boycott be made public.

-2-

6. On several occasions, I and members of my immediate staff have met with representatives of the Anti-defamation League of B'nai B'rith, the American Jewish Committee, and the American Jewish Congress to discuss Departmental policy and enforcement of boycott regulations.
7. On a continuing basis, the Department has referred and continues to refer reports of boycott requests that call for discriminatory action against U.S. citizens and firms or that call for action in violation of U.S. antitrust laws to the Department of State and Justice for appropriate action.

Thus, the policy of the Department has been and continues to be to enforce boycott requirements vigorously and to extend jurisdiction with respect to reporting requirements as far as is reasonable and practicable and to encourage reporting even where jurisdiction is not clear.

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